

UNDER SECRETARY OF STATE FOR
ARMS CONTROL AND INTERNATIONAL SECURITY
WASHINGTON

July 5, 2011

MEMORANDUM FOR THE CHAIRMAN, INTERNATIONAL
SECURITY ADVISORY BOARD (ISAB)

SUBJECT: Terms of Reference – ISAB Study on Maintaining U.S.-China
Strategic Stability

The International Security Advisory Board (ISAB) is requested to undertake a study of policy options the United States could pursue to ensure a stable U.S.-China strategic relationship that allows the United States over the next 20 years to pursue its regional and global interests against a backdrop of expanding Chinese economic, political, and military power.

Over the next 20 years, China is anticipated to develop into a global economic and political power with increasingly commensurate military capabilities. The United States has welcomed China's rise and engaged Beijing in high-level dialogues seeking to build a comprehensive and cooperative relationship that increases mutual understanding and trust and reduces risks of misperception, misunderstanding, and miscalculation that could lead to crisis or conflict. At the same time, China's expanding international footprint, its military modernization, and related lack of transparency regarding its projected military capabilities and intentions present challenges for U.S. policy in East Asia and globally. The 2010 Nuclear Posture Review called for a strategic stability dialogue with China to enhance confidence, improve transparency, and reduce mistrust. The United States needs a strategic approach to China that at once advances U.S. interests, reassures U.S. allies, dispels Chinese suspicions of "containment," fosters Chinese transparency, and maintains strategic stability.

It would be of great assistance if the ISAB study of U.S. strategic engagement with China would examine and assess:

- Chinese strategic goals, intentions, and options over the next 20 years and Beijing's ability and resolve to pursue them;

- The potential impact of China's rise on strategic stability and other U.S. strategic interests, including on U.S. extended deterrence to East Asian allies and friends;
- Options the United States could pursue to maintain strategic stability with China--to include, *inter alia*, contexts of sustained Chinese military modernization and evolution of strategic thought; potential strategies to engage China on arms control and reductions of nuclear forces in the future; missile defenses; and advances in U.S. conventional military capabilities;
- The ability of the United States to influence Chinese choices regarding strategic military modernization, force structure, doctrine, and related transparency; and
- Prospects, advisability, timing, and potential modalities for engaging China in arms control and transparency measures.

In the conduct of its study, as it deems necessary, the ISAB may expand upon the tasks listed above. I request that you complete the study in 180 days. Completed work should be submitted to the ISAB Executive Directorate no later than January 17, 2012.

The Under Secretary of State for Arms Control and International Security will sponsor the study. The Assistant Secretary of State for International Security and Nonproliferation will support the study. Erik Quam will serve as the Executive Secretary for the study and Chris Herrick will represent the ISAB Executive Directorate.

The study will be conducted in accordance with the provisions of P.L. 92-463, the "Federal Advisory Board Committee Act." If the ISAB establishes a working group to assist in its study, the working group must present its report or findings to the full ISAB for consideration in a formal meeting, prior to presenting the report or findings to the Department.



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